

Area	Plan for Reducing Costs	Amount Per Revised Plan	Estimated Revised Amount	Savings
<b>Product &amp; Information Engineering</b>				
Information Services	Transfer personnel to Networks and pay for services as needed (included in Corp charges)	9.0	0.0	9.0
Website Development	Transfer personnel to Networks and pay for services as needed (included in Corp charges)	2.4	1.4	1.0
Warpspeed	Reduce staff by 50%; transfer to Corp. redeployment	11.0	5.5	5.5
<b>Global Network Services</b>	Reduce field operations staff; transfer to Corp. redeployment (18 identified now, 10 to be identified over next 30 days)	56.3	52.0	4.3
<b>Marketing &amp; PR</b>	Transfer personnel to Corp. except for core PR team and pay for services as needed (included in Corp charges)	9.4	4.7	4.7
<b>Security &amp; Business Controls</b>	Transfer personnel to Corp. and pay for services as needed (included in Corp charges)	2.0	0.0	2.0
<b>Europe</b>				
Commercial headcount	Reduce current commercial headcount; transfer to Corp. redeployment	1.0	0.0	1.0
Overall headcount	Implement hiring freeze immediately	2.9	0.0	2.9
<b>Wholesale</b>	Reduce current commercial headcount; transfer to Corp. redeployment	12.7	6.6	6.1
<b>Enterprise</b>	Reduce current commercial headcount; transfer to Corp. redeployment	11.2	9.5	1.7
<b>Structuring and Sales Engineering</b>	Reduce headcount due to commercial headcount decreases; transfer to Corp. for redeployment	12.3	10.2	2.1
<b>Purchasing</b>	Reduce headcount estimate for year end	2.8	2.0	0.8
<b>Facilities</b>	Transfer to Corp. and pay for services as needed (included in Corp. charges)	1.5	0.0	1.5
<b>Human Resources</b>	Reduce current headcount; transfer to Corp. redeployment	4.7	4.0	0.7
<b>Corp Charges</b>	Negotiate reduction in Networks charge for desktop support; buy back PR, security and information services	8.6	5.0	3.6
<b>Depreciation and Amortization</b>				
Goodwill Amortization	Anticipated change in accounting rules for goodwill - amortization not required after 7/1/01	19.8	11.4	8.4
Depreciation	Reassess deployment dates for assets and change useful life estimates	135.0	58.0	77.0
				<b>132.3</b>
<b>Other Possibilities:</b>				
Decrease Bonus Accrual by half				23.5
Consider Asia headcount reduction (from 46 to 35?)				5.0
Increase IT capitalization rate				4.0
Move computer equipment to Networks				4.1
Move FF&E to Corp.				1.2
				<b>170.1</b>